

3D Resources Adelong Goldfield Strategic Review Update

Highlights

- **Strategic Review focused on near term cash flow options nearing completion**
- **Outcomes delivered include:**
 - **Total JORC 2012 Mineral Resources increased to 180,600 oz (42% increase)**
 - **Maiden drilling program completed (assays pending)**
 - **Detailed 3D modelling for Donkey Hill, Caledonian and Currajong areas**
 - **Historic data and plant design reviews on going**

3D Resources Limited (ASX: DDD) (“3D Resources” or the “Company”) is pleased to provide the following update on its strategic review of the Adelong Goldfield Projects. Since 3D Resources acquired the Adelong Goldfield Projects on 15th May 2020, the Company has appointed senior and experienced consultants to assist in a strategic review of several development options. The primary objective has been to expand the resources across the projects, assess the potential scale of operations and to recommence production as soon as possible.

The review has focused on five main areas:

- Using the existing drilling database to expand resources but also to identify future exploration targets
- Reconfiguring the Adelong Plant to improve performance and position the plant to be scaled up with any expansion in resources from the goldfield
- Evaluating the exploration potential and accelerate activities to confirm a drilling program to build on the existing resource base
- Considering options for short term cash flow from the mullock dumps
- Assessing the near-term strategy for mining and production

Resource Assessment

At the time the Company acquired the Adelong Goldfield Projects, there was an existing JORC 2012 Resource estimate of 127,000ozs for the Challenger and Currajong deposits. Many of the remaining mines had recorded >2g/t Au intersects among the 36,500m of drilling that historically occurred at the Adelong Goldfield, so the Company appointed GeoRes (Robin Rankin) who had previously completed the Resource estimates for Adelong, to undertake a review of 3 further deposits where there was sufficient drill data to generate an initial JORC Resource estimate.

On 17th August 2020 the Company announced the results of this study with a maiden resource for the Donkey Hill, Caledonian and Currajong East deposits that increased the current project resource by 42%.

TOTAL ADELONG GOLD PROJECT RESOURCES*		Tonnes (t)	Au (g/t)	Au (oz)
Measured	25%	459,000	3.07	45,000
Indicated	22%	394,000	2.64	33,400
Inferred	53%	957,000	3.28	101,000
Total	100%	1,810,000	3.28	180,600

*See the Company Announcement 17th August for details of the Resource estimates and JORC tables

This is the first step of the process of discovering the full exploration potential of the Adelong Goldfield Projects. As noted in the announcement on 17th August, the resources are largely open at depth and in most cases along strike giving considerable further opportunity to expand and upgrade these resources.

It is evident from the work done so far that the resource potential of the Adelong Goldfield Projects is considerably more than previous resource estimates had shown. In addition to maiden resource estimates for the Donkey Hill, Caledonian and Currajong East deposits, many of the other old mines that have been previously drilled show historical mineralised intersections and require further work to be able to quantify resources. Equally there are several extensive zones of historic workings that have never been drilled that warrant further work that would allow additional resource estimations to be undertaken. These historic workings are expected to form part of the company's longer-term exploration plans.

One of the major added benefits of undertaking the program of resource assessment, has been that for the first time there is now a detailed 3D model generated for these three deposits so that it is possible to better define targets for future drilling. Historical drilling at Adelong had largely focused on drilling around the old mines without any real targeting to assist in planning drill holes or interpreting the results.

Importantly there is also a considerable amount of data available for the 3D Resources team to study including airborne geophysics, very detailed ground geophysics, regional geochemical sampling and mapping. Initial studies on the deposits is starting to generate a picture on the controls of mineralisation which potentially explains why only parts of these shear zones that can be traced for several kilometres are mineralised, and where they are mineralised they are hosting multiple veins. This could well provide the targeting to allow the Company to look for undiscovered deposits but also assist in focusing exploration of existing deposits.

It is clear from the work to date the potential to expand resources further is significant and this is being integrated into the Company's future plans for this project.

Exploration

The recent program of drilling at Donkey Hill and Currajong is now complete and the Company awaits assay results due in early October 2020. Post the recent successful capital raising there are now accelerated drilling programs planned for Caledonian, Challenger and possibly Sawpit and Donkey Hill/Currajong during Q4 2020.

The exploration potential at the Adelong Goldfield is considerable with work so far focused mainly on the historic drilling and improving our understanding of some of the deposits. This is likely to form the main part of the company's exploration plans for the year ahead with a program to explore the known deposits including those that have historically never been drilled.

Existing Plant

The Company has appointed expert consultants and commenced a thorough technical review of the existing plant to determine options for reconfiguring and upgrading of the Adelong plant. A preliminary plan has been prepared and a metallurgical sample of 1,000kg is being shipped to test that planned flow sheet. All the metallurgical test work on Adelong to date has shown the ores to be free milling and that the gold is relatively easily concentrated and recovered with most tests showing results of 90-96% recovery using gravity, flotation or cyanidation.

The review work underway on the Adelong plant is advanced and over the next 2 months the test work and final plant design is expected to be completed and costed.

With the expansion of Resources and the potential for further resource increases, the current plant design is being modified to allow for a future expansion of operations. Current resources would represent about 15 years life at the current plant capacity, so the modified plant design is looking to more than double current plant capacity.

Mining

A review of mining options including opportunities for contract mining is also underway. While underground mining at Challenger may support the milling capacity of the current plant, the Company expects to expand the long-term mining capacity with either further development of the Currajong deposit or possible open cut mining at both the Challenger and Currajong deposits.

Short term cash flow

In June/July 2020 a detailed assessment was undertaken of near-term options for treating the mullock (waste dumps) that surround many of the old mines through an unused CIL plant located within trucking distance of the mine. Historical estimates had shown there to be around 160-200,000 tonnes of material and two process options were investigated for partially processing and upgrading these waste dumps via screening or gravity prior to trucking to that CIL Plant. Both options showed the project to be feasible and discussions are presently underway to see if these mullock dumps can be toll treated otherwise the mullock can be processed under the current flow sheet for the revamped and expanded Adelong plant.

-ENDS-

Released with the authority of the board.

For further information on the Company and our projects, please visit: www.3dresources.com.au

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Competent Person

Information in this "ASX Announcement" contains a summary of Resource Estimates published by Robin Rankin in a report presented to the Company as a consultant. Mr Peter Mitchell has summarised the Exploration Results and geological data. Mr Peter Mitchell is a Member of the Australian Institute of Mining and Metallurgy and is Managing Director of 3D Resources Ltd. Peter Mitchell qualifies as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012 Edition).

About 3D Resources Ltd

3D Resources Limited is a minerals explorer targeting high value commodities (gold, copper, lead, zinc and nickel) across Australia with a particular focus on Gold.

In May 2020, 3D Resources took control of the Adelong Goldfield Projects which covers 70km², comprising the old Adelong Goldfield situated in Southern NSW located approximately 20km from Tumut and 80km from Gundagai. The Adelong Goldfield has recorded historical production of over 800,000ozs of gold.

At the time of acquisition, the project carried a JORC Resource of 127,000oz of gold and 17 freehold properties with all mining and processing plant equipment onsite, and until recently was a producing mine. In August 2020, the Company completed an evaluation of some of the additional deposits that had been drilled. This increased the JORC Resource to 180,600oz of gold.